

Introduced by Senator Machado

February 24, 2006

An act to add Section 1102.6e to, and to add Article 1.3 (commencing with Section 1101) to Chapter 2 of Title 4 of Part 4 of Division 2 of, the Civil Code, and to add Section 33392.5 to the Health and Safety Code, relating to real property disclosures.

LEGISLATIVE COUNSEL'S DIGEST

SB 1809, as introduced, Machado. Real property disclosures: redevelopment: eminent domain.

Existing law governs eminent domain proceedings including those initiated by community redevelopment agencies. Existing law also requires specified disclosures in connection with real property transfers.

This bill would require a specified disclosure statement in connection with the transfer of residential real property that is located in a redevelopment project area regarding whether the property may be subject to eminent domain proceedings, as specified. The bill would also require notice to a prospective purchaser in the case of a transfer of any other real property, if that property is located within a redevelopment project area. The bill would also require a redevelopment agency to provide specified information regarding real property and redevelopment to an owner of the property or that owner's agent within 3 business days of receiving a written request for information. By imposing new duties on local government, the bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Article 1.3 (commencing with Section 1101) is
2 added to Chapter 2 of Title 4 of Part 4 of Division 2 of the Civil
3 Code, to read:

4
5 Article 1.3. Redevelopment and Eminent Domain Disclosure

6
7 1101. (a) The seller of real property shall, as soon as
8 practical before the transfer of title, give written notice to a
9 prospective purchaser if the real property is located within a
10 redevelopment project area and the redevelopment plan for that
11 redevelopment project area does not prohibit the community
12 redevelopment agency from using the agency's power of eminent
13 domain to acquire the real property.

14 (b) This article does not apply to the transfer of residential
15 property that is subject to a disclosure requirement pursuant to
16 Article 1.5 (commencing with Section 1102).

17 (c) As used in this section, the following definitions apply:

18 (1) A "community redevelopment agency" refers to a
19 redevelopment agency of a community as described in Section
20 33100 of the Health and Safety Code.

21 (2) A "redevelopment plan" refers to a plan for redevelopment
22 as described in Sections 33020 and 33021 of the Health and
23 Safety Code.

24 (3) A "redevelopment project area" means an area identified
25 by a community redevelopment agency as a location for a
26 redevelopment project as described in Section 33010 of the
27 Health and Safety Code.

28 SEC. 2. Section 1102.6e is added to the Civil Code, to read:

29 1102.6e. (a) This section applies to all transfers of real
30 property for which all of the following apply:

31 (1) The transfer is subject to this article.

32 (2) The property being transferred is located within a
33 redevelopment project area pursuant to either the Community

1 Redevelopment Law (Part 1 (commencing with Section 33000)
2 or the Community Redevelopment Disaster Project Law (Part 1.5
3 (commencing with Section 34000) of Division 24 of the Health
4 and Safety Code).

5 (3) The redevelopment plan does not prohibit the community
6 redevelopment agency from using the agency's power of eminent
7 domain to acquire the property being transferred.

8 (b) In addition to any other disclosure required pursuant to this
9 article, the seller of any real property subject to this section shall
10 deliver to the prospective purchaser a copy of the following
11 disclosure form:
12

13 REDEVELOPMENT AND EMINENT DOMAIN
14 DISCLOSURE

15 THIS DISCLOSURE STATEMENT CONCERNS THE
16 REAL PROPERTY DESCRIBED AS _____.

17 THIS STATEMENT IS A DISCLOSURE IN
18 COMPLIANCE WITH SECTION 1102.6e OF THE CIVIL
19 CODE. IT IS NOT A WARRANTY OF ANY KIND BY
20 THE SELLER(S) OR ANY AGENT(S) REPRESENTING
21 ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IT IS
22 NOT A SUBSTITUTE FOR ANY INSPECTIONS OR
23 WARRANTIES THAT THE PRINCIPAL(S) MAY WISH
24 TO OBTAIN.

25 THIS PROPERTY IS LOCATED WITHIN THE _____
26 REDEVELOPMENT PROJECT AREA THAT IS
27 GOVERNED BY THE _____ COMMUNITY
28 R E D E V E L O P M E N T A G E N C Y .
29 THE REDEVELOPMENT PLAN FOR THIS REDEVELOPMENT
30 PROJECT AREA DOES NOT PROHIBIT THE COMMUNITY
31 REDEVELOPMENT AGENCY FROM USING THE AGENCY'S
32 POWER OF EMINENT DOMAIN TO ACQUIRE THIS PROPERTY.

33 BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN
34 PROFESSIONAL ADVICE ABOUT THIS COMMUNITY
35 REDEVELOPMENT AGENCY AND THE AGENCY'S
36 POTENTIAL USE OF EMINENT DOMAIN TO ACQUIRE
37 THIS PROPERTY. A REAL ESTATE BROKER IS
38 QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU
39 DESIRE LEGAL ADVICE, CONSULT YOUR
40 ATTORNEY.

1 I/WE ACKNOWLEDGE THE RECEIPT OF A COPY OF
2 THIS STATEMENT.

3
4 Seller_____ Date_____ Buyer_____ Date_____
5 Seller_____ Date_____ Buyer_____ Date_____

6
7 Agent (Broker
8 Representing Seller) _____ By_____ Date_____
9 (P l e a s e (Associate Licensee or Broker
10 Print) Signature)

11 Agent (Broker
12 obtaining the offer) _____ By_____ Date_____
13 (P l e a s e (Associate Licensee or Broker
14 Print) Signature)

15
16 SECTION 1102.3 OF THE CIVIL CODE PROVIDES A
17 BUYER WITH THE RIGHT TO RESCIND A PURCHASE
18 CONTRACT FOR AT LEAST THREE DAYS AFTER THE
19 DELIVERY OF THIS DISCLOSURE IF DELIVERY
20 OCCURS AFTER THE SIGNING OF AN OFFER TO
21 PURCHASE. IF YOU WISH TO RESCIND THE
22 CONTRACT, YOU MUST ACT WITHIN THE
23 PRESCRIBED PERIOD.

24
25 SEC. 3. Section 33392.5 is added to the Health and Safety
26 Code, to read:

27 33392.5. (a) Within three business days of receiving from the
28 owner of real property or the property owner's agent a written
29 request for information that identifies the real property by either
30 the street address or the assessor's parcel number, an agency
31 shall provide the owner or the agent a written statement that
32 declares:

33 (1) Whether that real property is located within a
34 redevelopment project area.

35 (2) Whether the redevelopment plan for that project area
36 prohibits the agency from using the agency's power of eminent
37 domain to acquire that real property.

38 (b) An agency may charge a fee to receiver any costs incurred
39 pursuant to this section. The fee shall not exceed the reasonable
40 cost of providing the service for which the fee is charged. The

1 agency shall impose the fees pursuant to Section 66016 of the
2 Government Code.
3 SEC. 4. No reimbursement is required by this act pursuant to
4 Section 6 of Article XIII B of the California Constitution because
5 a local agency or school district has the authority to levy service
6 charges, fees, or assessments sufficient to pay for the program or
7 level of service mandated by this act, within the meaning of
8 Section 17556 of the Government Code.

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